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March 1987

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Sta	te/Territory:	Kentucky	

STANDARDS FOR THE COVERAGE OF ORGAN TRANSPLANT SERVICES

General Coverage Criteria. The following general coverage criteria shall be applicable with regard to organ transplants.

- 1. For an organ transplant to be covered under the Medicaid Program, it must be the opinion of the transplant surgeon that the transplant is medically necessary; the failure to perform the organ transplant would create a life-threatening situation; and the prognosis must be that there is a reasonable expectation the transplant will be successful and result in prolonged life of quality and dignity.
- 2. The hospital and physician performing the transplant must be recognized by the Medicaid Program as being competent to perform the transplant. A staff and functioning unit at the hospital designed for and/or accustomed to performing transplants of the nature envisioned, recognized as competent by the medical community, will ordinarily be considered competent by the program.

Reimbursement for Organ Transplants. Hospital payments for organ transplants will be set at eighty (80) percent of actual usual and customary charges with total payments not to exceed \$75,000 per transplant without regard to usual program limits on hospital length-of-stay. An exception to the maximum payment limit can be made by the Commissioner, Department for Medicaid Services on a case by case basis when the maximum payment limit restricts medically appropriate care or prohibits the availability of the needed transplant procedure or service. Physician payments for organ transplants will be at the usual Medicaid Program rates.

Application of Organ Transplants Policy. It is the intent of the Department for Medicaid Services that the organ transplant policy be applied uniformly and consistently so that the similarly situated individuals will be treated alike. To accomplish this goal the Department will use the methodology specified in this section in receiving and processing requests for coverage and payments for organ transplants.

1. All requests for authorization for organ transplants must be sent to the Commissioner, Department for Medicaid Services.

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The Commissioner will assign the request to appropriate staff for investigation, report and recommendation. The report must show whether the person requesting the transplant is Medicaid eligible (or approximately when the person will become eligible); the type of transplant requested; the name of the facility (and physician if considered necessary) where the transplant is to be performed; any fee arrangement that has been made with the facility and/or physician (or a statement as to whether there is a disagreement with regard to fees); the proposed date of the transplant; the prognosis; a finding as to whether the facility/physician is considered qualified for the transplant being considered; and a finding as to whether program criteria for coverage is met.

3. After consideration of the report and recommendation, the Commissioner will determine whether the general coverage criteria are met and payments for the transplant should be made. If the decision is to provide coverage, Medicaid Program staff will assist the recipient with necessary arrangements for the transplant. If the decision is negative, the recipient will be notified of the manner in which the request does not meet agency guidelines.

Scope of Coverage. This organ transplant policy is applicable with regard to the following types of transplant: heart, lung, bone marrow and liver. Other types of transplants will also be covered under this policy upon identification and request except when special treatment of the transplant services is not considered necessary (i.e., usual program coverage and reimbursement is considered adequate), or when the transplant is considered by the Department for Medicaid Services to be experimental in nature. The Medicaid Program will not cover experimental transplants, i.e., those which have not previously been proven effective in resolving the health problems for which the transplant is the proposed preferable treatment mode.

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